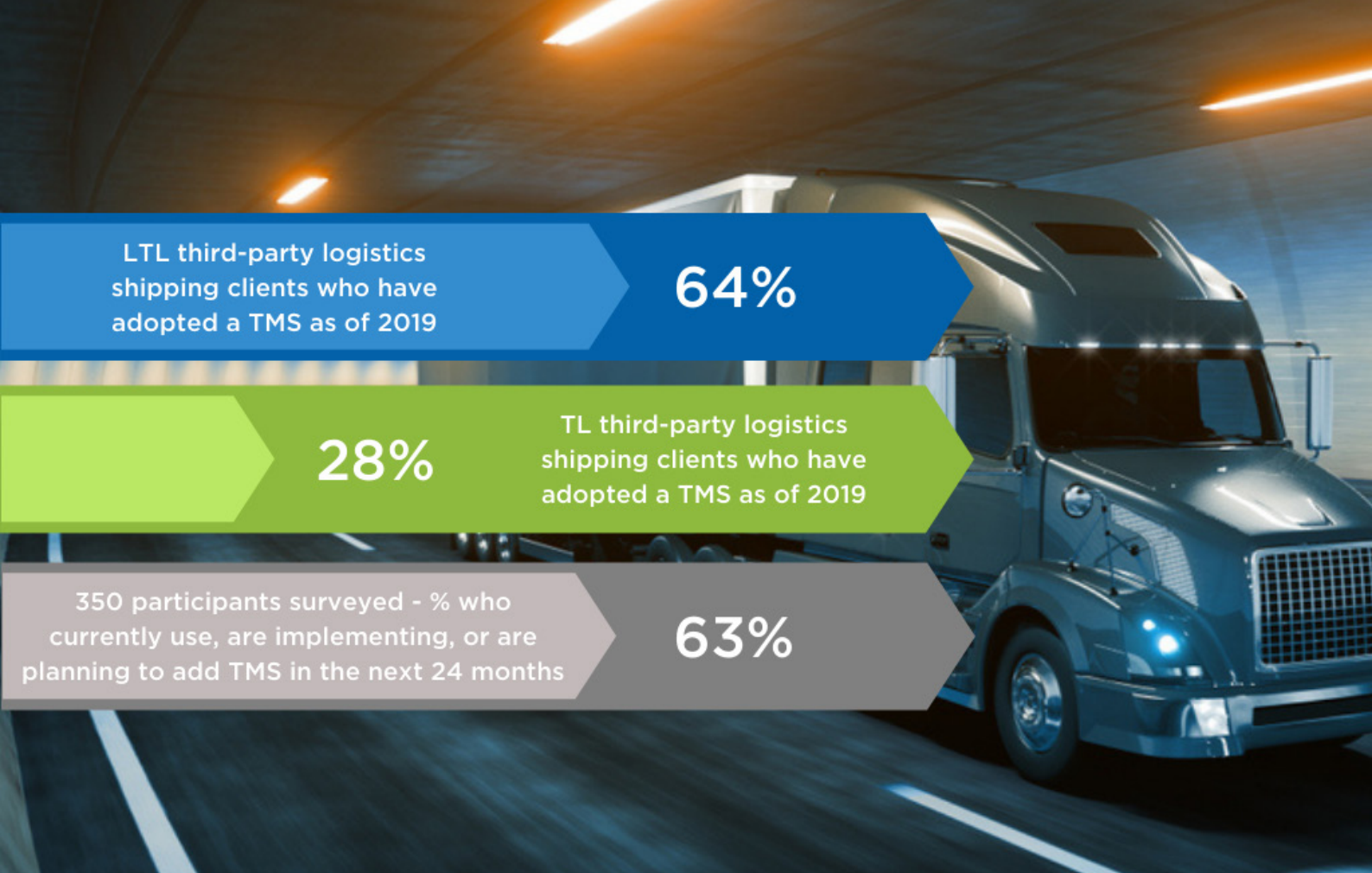


**TRANSFORMING THE
SHIPPING INDUSTRY
THROUGH TECHNOLOGY**



LTL third-party logistics
shipping clients who have
adopted a TMS as of 2019

64%

28%

TL third-party logistics
shipping clients who have
adopted a TMS as of 2019

350 participants surveyed - % who
currently use, are implementing, or are
planning to add TMS in the next 24 months

63%

AN OPPORTUNITY TO EXPAND VALUE

Prior to the pandemic, only 64% of less-than-truckload (LTL) and 28% of truckload (TL) shippers had adopted a transportation management system (TMS) or technology solution, according to a 2019 report from FreightWaves. This global event and subsequent supply chain disruptions raised shippers' awareness of their transportation networks and prompted more companies to invest in technology in 2020, says Gartner.

However, a May 2020 survey of 350 shippers conducted by Peerless Research Group (PRG) showed that

nearly two-thirds, or 63%, of the study respondents currently use a TMS, are in the process of implementing a TMS, or are evaluating or planning to implement a TMS within the next 24 months.

While many say they want to adopt a technology solution to manage their freight, the numbers show little movement despite challenges brought on by COVID-19. With the proven capabilities and the efficiency and visibility technology provides, why haven't more shippers implemented a technology solution into their operations?

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RELUCTANT TO CHANGE



Some shippers are reluctant to employ new approaches until they're the industry norm. For freight pricing solutions, they prefer a locked-in, annual, contracted rate because they're concerned that anything else could lead to paying rates that send them over budget. For this group, the security of the known is less risky than what they perceive as an unknown.

The most sophisticated systems allow for base contracted rates with options to capitalize on specific offers from carriers. Many companies still working from pre-internet relics such as static rate cards or routing guides realize, however, that the way forward is through technology.

Their challenge is bringing that technology into the organization in ways that are minimally disruptive. They often start the modernization process with opportunities that are both relatively easy to implement and will yield near-immediate cost savings. With freight, that involves identifying new technology or upgrading your existing system.

Focused on creating efficiencies, improving supply chain visibility, managing costs, and providing higher levels of customer service, shippers need to invest in innovative shipping technology, especially as unforeseen outside forces remain in the supply chain.

TMS ADOPTION ACROSS THE INDUSTRY

TL Shippers



with 20+ loads
per week use
TMS



Those with >20 TL
shipments per week
rely on one carrier or
broker to manage
their freight



TL shippers begin
using TMS at ~40
loads/week (160-
180 loads/month)

LTL Shippers



The average LTL
shipper uses 2.4
different web-
based platforms



with annual spend of
\$500k+ use web-
based rating and
booking platforms



always choose the
lowest-cost LTL
platform and carrier
for each shipment

Carriers



with 20+ trucks
use TMS



with <10 trucks
use TMS



with <5 trucks
use TMS

Brokers



with 10+ employees
use TMS



with <10 employees
use TMS



with <5 employees
use TMS

Assessing the Impact

Companies **save 8% on average** with the use of a TMS, with nearly 60% of users indicating that less than 10% of their net savings were absorbed by the TMS.

- Simulation and network design
- Multi-stop optimization
- Lower-cost mode selections
- Load Consolidation



WHAT SHIPPERS REALLY WANT

Shippers are looking for a technology solution that is easy to implement and use and one that is constantly adapting to their changing needs. Ultimately, they are looking to save time, money, and free up their resources for other tasks. With an innovative technology solution, shippers can save time and money almost immediately. It automates tasks to add efficiency, while the real-time data allows them to make better business decisions and benefit from cost-savings.

Technology and the data collected enable evaluation of carrier performance and supports transportation decisions based on up-to-the-minute information. Shippers want to book loads and receive immediate confirmation, compared to the older, batch-based technology where acknowledgment of the load may be delayed.

The PRG survey shows that TMS played a critical role in increasing shipping transparency, closing customer communication gaps, and helping shippers maintain remote work capabilities during the pandemic.

Shippers want the ability to free up valuable resources, streamline their shipping operations, and save money while doing both. Technology has allowed for a single source of data that flows through the execution path, therefore the need for outsourced freight bill audits falls dramatically. Rather than audit every bill, shippers and their audit partners can monitor for exceptions with enhanced technology. Most technologies track changes to shipments with a username and date stamp so it can be reviewed for accountability purposes. For example, if there is a last-minute change to the

shipment, the BOL is instantly updated with the latest information, and a refreshed quote from the carriers for the most accurate information possible to reduce downstream billing.

Shippers also are seeking ways to improve the relationships with their carriers to maximize pickups and deliveries and secure affordable rates. On the other hand, carriers are looking for more visibility into shippers' freight to help price and plan accordingly. Through a technology solution, shippers can have an open relationship with their carriers to discuss individual lanes' priorities and challenges. Shippers can have the ability to tell carriers what it takes to win traffic in a route, and the carrier can adjust if they desire. Shippers can make more informed decisions and have the flexibility they need to adapt to changes in the supply chain.

A person wearing a blue long-sleeved shirt is holding a tablet computer. The background is a blurred industrial setting, likely a warehouse or factory, with metal structures and equipment visible. The lighting is warm, suggesting an indoor environment with artificial light.

Shippers want the ability to free up valuable resources, streamline their shipping operations, and save money while doing both.

A man with glasses and a beard, wearing a blue button-down shirt, is leaning over a woman with dark curly hair, also wearing a blue button-down shirt. They are in a warehouse or office setting with shelves of boxes in the background. The woman is looking at a computer screen, which is partially visible on the right. A blue banner with white text is overlaid on the bottom half of the image.

FLEXIBILITY AND ADAPTABILITY IN SHIPPING

Over the past couple of years, the industry has had to adapt to new dynamics that were not present prior to the pandemic. It is critical for shippers to remain agile enough to respond to the rapid changes in consumer demand, carrier capacity, rate increases and the overall backlogs in the supply chain. The most efficient way of ensuring agility in your shipping operations is through the adoption of a technology solution that can adapt with you.

Technology solutions can help shippers solve pain points and mitigate the supply chain disruptions brought on by the global pandemic. It increases their ability to be flexible and adapt to unforeseen issues that may arise in the future.

However, it is one thing to understand that technology is shaping the future of supply chain, but it is another for established shippers who may have operated in a lower-tech fashion to now integrate and maximize new technologies throughout their business. This requires a deeper level of investment than the technology alone. It also requires a technology partner that will consistently enhance its offering to meet your changing needs.

Embracing innovative technology is central to adapting and remaining flexible in a crisis such as COVID-19, and it requires a holistic approach that can support the shipping structure needed to maintain stability and progress as freight digitization becomes the norm.

RECENT ADVANCEMENTS IN FREIGHT DIGITIZATION

Freight digitization refers to technologies that assist in supply chain management and the movement of freight. The shipping and logistics industry has been slow to adopt technology due to complex relationships within shipping and transportation networks, lack of transparency among shippers and carriers, and obstacles to adapting to sudden changes.

Recent developments in freight technology are working to modernize and simplify freight transport. According to a report from the U.S. Department of Transportation, intelligent freight technologies have many benefits in shipping, including increased operational flexibility and efficiency due to better planning and schedule adherence, better utilization of people and equipment, reduction of non-productive waiting times, shorter processing times, and increased shipper confidence.

Utilized by manufacturers, retailers, distributors, logistics providers, and other organizations, a modern technology solution helps shippers plan freight movements, manage freight rating and shipping across all modes, select the appropriate carrier, and manage freight bills and invoices.

According to Gartner, the software sector will continue to grow, with small- and mid-sized shippers driving much of the market. Many of the shippers who have recently adopted technology into their shipping operations are gravitating toward cloud-based, API options, which offer easy implementation and require little internal IT support.

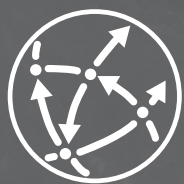
Technology providers have enhanced their offerings to help their customers manage both immediate and long-term transportation challenges. As shipping

management gets more complex, technology providers are also integrating more advanced options into their platforms to help shippers tackle these complexities.

Banyan Technology has made several product enhancements over the past few years to accommodate the ever-changing shipping industry and help our clients save time, money, and resources. Freight Bill Management (FBM) and the Lane Restrictions (LR) tool are features of Banyan's **LIVE Connect™** platform and can aid in the challenges within the supply chain. FBM is designed to audit and manage your freight bills. Specifically, it automates reporting to only include exceptions, like flagging any differences in quotes and what the carrier billed. This frees up your internal resources to focus their time on invoice exceptions rather than having to review all of them.

LR allows Shippers to restrict rating quotes from specific carriers or based on certain parameters. For Shippers, they use Lane Restrictions to limit a carrier's ability to service defined service areas where the carrier is either refused by the client and other factors. 3PL clients can use this tool to help align the carriers they use to service specific customers. This is particularly important now with managing the embargoes carriers have placed on weight or certain areas and locations.

Additionally, Banyan recently added **QuickShip™** to its suite of integrated features. This tool streamlines data entry in as few as 5 data points and steers efficiencies by giving access to clients' suppliers and other decentralized users to ensure their contracted carriers are utilized in the most efficient manner. Clients involved in the beta testing of this product experienced a savings of greater than 10% on their inbound freight spend using **QuickShip™**.



**#1 MOST COMPREHENSIVE
CARRIER CONNECTION
PLATFORM**



**PARTNERING WITH OUR CLIENTS
- FOCUSING ON FLEXIBILITY AND
CREATIVITY - CREATING THE
MOST BENEFICIAL RELATIONSHIP,
SERVICE AND SUPPORT**



**INCREASED CLIENT
SAVINGS THROUGH DIRECT
DOLLAR SAVINGS AND
DRIVING EFFICIENCIES**

FOCUS ON INNOVATION IN THE FUTURE

Freight digitization isn't going away, and ongoing technological innovations are necessary for addressing some of the biggest challenges you may face in the freight industry in the future. Partnering with an innovative technology provider helps you navigate current shipping challenges and prepare for the future.

Hanging onto the old ways of handling technology because what's known is seen as less risky than something new isn't an option anymore as the pandemic and supply chain disruptions continue. Embracing technology from the right partner allows you to navigate uncertainties resulting in cost-savings and better business practices. The best way to plan for your future while minimizing risk is with an adaptable technology solution.

Banyan Technology has consistently enhanced our **LIVE Connect™** freight-pricing platform to adapt to changes in the industry and accommodate our clients' needs. New product features for **LIVE Connect™** in early 2022 will

include Multimode and Push Tracking Notifications. Shippers will be able to book loads for LTL, TL, parcel, and final mile all on one screen in Multimode and have even more visibility into their shipments through real-time updates and notifications sent directly to them with Push Tracking Notifications.

Push tracking notifications and the ability to book loads for multiple modes on one screen are recent advancements making an impact on shippers. Increased reporting capabilities and data retrieval also are critical to increasing visibility for shippers and helping them save money while navigating both current and future shipping challenges.

A Business Intelligence feature and Load Consolidation tool are also on the schedule to be released in 2022. Both enhance the system to add even more efficiencies for your shipping operations and allow you to successfully streamline shipments in this tumultuous environment.

WHY BANYAN TECHNOLOGY & LIVE CONNECT™

Banyan has developed a client-centric platform that keeps you and your customers prepared for fluctuations in the supply chain landscape

Banyan Technology continuously innovates and creates flexible client solutions to solidify our position as North America's top transportation management technology partner, providing better data for better freight management. We constantly focus on innovating our technology to better unite shippers and 3PLs with highly efficient, real-time carrier data. Our flexible solution, **LIVE Connect™**, is designed to provide optimal client benefits based on their unique business needs, not just for LTL shipping, but in TL, parcel, and final mile shipment modes as well.

We continuously update our API connections and develop new product solutions for our TMS, providing innovative new tools developed in collaboration with our valued clients. We add these new features to **LIVE Connect™** to help our clients get the best carrier rates, effectively manage their overall spend, efficiently tender shipments, toggle between shipment modes, and enable tracking notifications. We have the most carrier connections in the industry available through our APIs, more than doubling the number of any other freight rating provider in the industry. We continue to add more connections as the need arises.

By continuously innovating, Banyan has developed a client-centric platform that keeps Shippers prepared for fluctuations in the supply chain landscape. Our **LIVE Connect™** platform is built for savings, efficiency, and streamlining processes to make your business profitable and eliminates the outdated methods of managing freight spend.

Banyan is connected to more than three times the carriers than any other provider, granting customers access to their preferred carriers. We continue to add new connections as needed, including local, regional, and super-regional carriers. Offering the largest grouping of carrier APIs in the industry allows our customers to purchase freight at competitive prices while carriers win the additional freight they need.



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